



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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Legislative Fiscal Analyst  
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DATE: October 3, 2006

TO: Legislative Finance Committee

FROM: Kris Wilkinson

RE: Governor's Office and State Auditor's Office Goals and Objectives

In March 2006 the Governor's Office and the State Auditor's Office submitted statements of goals and objectives for review by the Legislative Fiscal Division (LFC). This review concluded that the Governor's Office did not have readily identifiable objectives and did not include implementation status of their objectives. It also concluded that the State Auditor's Office did not have specific, measurable, or time-bound objectives. LFC requested both agencies provide objectives which address these concerns. LFD met with both agencies to discuss the concerns with the objectives. LFD received the statements of goals and objectives from the Governor's Office and the State Auditor's Office August 28, 2006 and September 21, 2006 respectively. In both cases the agencies provided almost identical documents as they submitted in March. Specific, measurable, time-bound objectives with implementation status were not provided in either case.

State agencies define their missions in statements that define the overall direction of the agency and clarify the agency's purpose and meaning. The mission is then broken into goals, specific actions to be accomplished to meet the agency's mission. Goals define what the agency is trying to accomplish. Objectives, sometimes referred to as performance measures, are the segments of the goals which show how the agency will accomplish the goals. They should be specific, time-bound, and measurable to articulate the who, when, and how of the agency's plans for accomplishing the goals. This allows the legislature to ensure an agency is accountable for the resources it has been appropriated. Accountability means an agency measurably achieves its mission in a cost-effective, efficient and open manner.

Statute requires a statement of the agency mission and goals and objectives as part of the budget document submitted to the legislature. The goals and objectives must include, in a concise form, sufficient specific information and quantifiable information to enable the legislature to formulate an appropriations policy regarding the agency and its program and to allow a determination, at some future date, on whether the agency is attaining its goals and objectives. However, the goals and measurable objectives are not included as part of the information presented for consideration of the appropriations subcommittees, the House Appropriations Committee, or Senate Finance and Claims.

Three projects undertaken by the LFC in the interim which had the staff incorporate goals and objectives into management information which will be used by the legislature for appropriation decisions are performance measurement reporting, the new evaluation process for new or expanded initiatives, and the template for informational presentations to appropriation subcommittees. The LFC directed staff to conduct a pilot project on performance measurement reporting, objectives are also called performance measurements. The project was done to develop a format for information at a managerial level for the legislature. This process tracked the new Regional Investigators for Fish, Wildlife and Parks and documented the outcome of having these two individuals on the Montana landscape. The process also tracked the development of training for the subdivision review process. The real time information can provide the legislature the option to step in and help along the way and/or redesign the program in the next legislative session. The LFC then requested a new evaluation process for the budget process using specific information including goals and objectives. Finally, a standardized format for informational presentations to the appropriations subcommittees which includes goals and objectives and agency progress in implementing the objectives were developed for the 2007 Legislative Session.

By statute the goals and objectives must be available in the Office of Budget Program and Planning (OBPP) and on the Internet. While OBPP collects the documents they do not have policies and procedures for agencies to follow when developing and issuing goals and objectives. OBPP does collect this information as part of the budget process but it appears OBPP also does not follow-up with agencies if they do not submit goals and objectives as neither the Governor's Office or the State Auditor's Office had them available when requested in February 2006.

The Legislative Finance Committee may wish to consider amending statute to:

- o Include goals and objectives as part of the executive budget which is printed for legislative consideration
- o Require OBPP to develop policies and procedures for state agencies regarding requirements for goals and measurable objectives

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